

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

DSLExtreme,

Complainant,

vs.

Verizon California, Inc.,

Defendant.

Case 05-09-008
(Filed September 8, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
GRANTING STAY OF PROCEEDING**

This ruling grants the parties a stay of the schedule adopted in the scoping memo until May 5, 2006, in order to permit the parties to continue settlement negotiations.

Background

Extreme Telecom, Inc., dba DSLExtreme (DSLExtreme)¹ alleges Verizon California Inc. (Verizon) is violating Pub. Util. Code §§ 451 and 453 in the provision of DSL transport. Verizon denies these allegations and asserts DSLExtreme seeks remedies beyond the jurisdiction of the Commission. Verizon also asserts this complaint is preempted under federal statutory law and federal regulations.

¹ Ikano Communications, Inc. recently acquired the operating assets of DSLExtreme.

A prehearing conference (PHC) was held on November 29, 2005. At the PHC, the parties agreed to participate in an early neutral evaluation (ENE) of the substantive issues involved in this proceeding. The ENE was held on February 15, 2006. On February 17, 2006, the parties requested by e-mail a stay of the adopted schedule in this proceeding to permit the parties to participate in mediation. On February 17, 2006, I granted a stay by e-mail to March 20, 2006. On March 7, 2006, the parties requested by e-mail a further stay of the adopted schedule to permit the parties to delay mediation pending the acquisition of DSLExtreme by Ikano Communications, Inc. (Ikano). On March 7, 2006, I granted by e-mail the parties' request for a stay until April 7, 2006.

At my request, the parties filed a motion for a continuance of the stay and extension of the statutory deadline to complete this proceeding on April 5, 2007. On April 7, 2006, I granted a stay by e-mail until this ruling issued.

Discussion

The parties request a stay in order to continue settlement negotiations. By declaration, Ikano acknowledges that its business interest in this litigation may be different than that advanced by DSLExtreme and desires to resolve this matter with Verizon and create a stronger business relationship between the companies. The requested stay involves taking the hearings, scheduled for April 27 and 28, 2006, off calendar. Given the parties desire to resolve this matter informally, taking the hearings off calendar and granting a further stay is the most efficient option.

Granting the continuance and taking the hearings off calendar will necessitate an extension of the 12-month statutory deadline to complete this proceeding should the parties' settlement negotiations fail. If the parties reach an impasse, I encourage them to continue with mediation as originally planned. If

the parties have not settled by May 5, 2006, I will prepare an extension order for the Commission's consideration.

IT IS RULED that the motion of Ikano Communications, Inc./DSLExtreme and Verizon California Inc. for a continuance of the stay is granted as set forth herein.

Dated April 11, 2006, at San Francisco, California.

/s/ JANICE GRAU

Janice Grau
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Granting Stay of Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated April 11, 2006, at San Francisco, California.

/s/	FANNIE SID
	Fannie Sid

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.